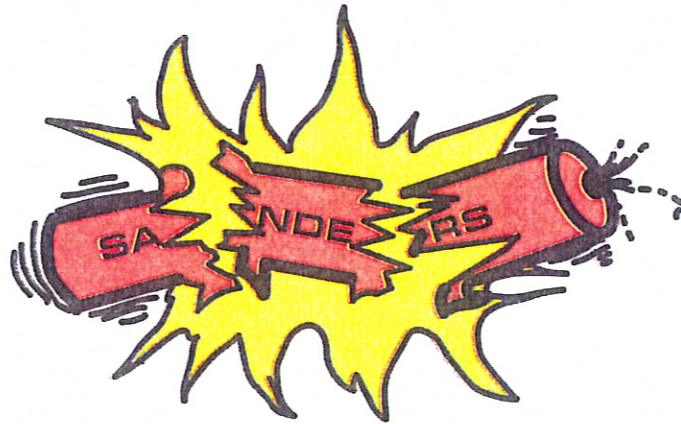


# WESTERN STATES DRILLING AND BLASTING, INC.

LICENSES AND PERMITS



UNITED STATES OF AMERICA

The State of



Washington

Secretary of State

I, **SAM REED**, Secretary of State of the State of Washington and custodian of its seal,  
hereby issue this

**CERTIFICATE OF AUTHORITY**

to

**WESTERN STATES DRILLING AND BLASTING, INC.**

a/an UT Profit Corporation. Charter documents are effective on the date indicated below.

Date: 5/3/2010

UBI Number: 602-988-442

APPID: 1640819



Given under my hand and the Seal of the State  
of Washington at Olympia, the State Capital

Sam Reed, Secretary of State





STATE OF  
WASHINGTON

MASTER LICENSE SERVICE  
PO Box 9034 • Olympia, WA 98507-9034 • (360) 664-1400  
**REGISTRATIONS AND LICENSES**

Foreign Profit Corporation

Unified Business ID #: 602 988 442  
Business ID #: 1  
Location: 1

WESTERN STATES DRILLING AND BLASTING, INC.  
2031 PABCO RD  
HENDERSON NV 89011 2500

TAX REGISTRATION  
INDUSTRIAL INSURANCE  
UNEMPLOYMENT INSURANCE

REGISTERED TRADE NAMES:  
WESTERN STATES DRILLING AND BLASTING, INC.

The licensee named above has been issued the business registrations or licenses listed. By accepting this document the licensee certifies the information provided on the application for these licenses was complete, true, and accurate to the best of his or her knowledge, and that business will be conducted in compliance with all applicable Washington state, county, and city regulations.

*Elizabeth A. Luce*  
Director, Department of Licensing

STATE OF WASHINGTON

142 1 1

WESTER STATES DRILLING AND BLASTING,

RD

NV 89011 2500

TAXATION

INDUSTRIAL

UNEMPLOYMENT

FOLD HERE

FOLD HERE

*Elizabeth A. Luce*  
Director, Department of Licensing

THIS SECTION FOR YOUR WALLET

UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION  
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION



HAZARDOUS MATERIALS  
CERTIFICATE OF REGISTRATION  
FOR REGISTRATION YEAR(S) 2009-2010

Registrant: SANDERS CONSTRUCTION, INC  
Attn: JOE DODD  
PO BOX 92707  
HENDERSON, NV 89009

This certifies that the registrant is registered with the U.S. Department of Transportation as required by 49 CFR Part 107, Subpart G.

This certificate is issued under the authority of 49 U.S.C. 5108. It is unlawful to alter or falsify this document.

Reg. No: 072709 550 022R Issued: 07/27/2009 Expires: 06/30/2010

**Record Keeping Requirements for the Registration Program**

The following must be maintained at the principal place of business for a period of three years from the date of issuance of this Certificate of Registration:

- (1) A copy of the registration statement filed with PHMSA; and
- (2) This Certificate of Registration

Each person subject to the registration requirement must furnish that person's Certificate of Registration (or a copy) and all other records and information pertaining to the information contained in the registration statement to an authorized representative or special agent of the U. S. Department of Transportation upon request.

Each motor carrier (private or for-hire) and each vessel operator subject to the registration requirement must keep a copy of the current Certificate of Registration or another document bearing the registration number identified as the "U.S. DOT Hazmat Reg. No." in each truck and truck tractor or vessel (trailers and semi-trailers not included) used to transport hazardous materials subject to the registration requirement. The Certificate of Registration or document bearing the registration number must be made available, upon request, to enforcement personnel.

For information, contact the Hazardous Materials Registration Manager, PHH-62, Pipeline and Hazardous Materials Safety Administration, U.S. Department of Transportation, 1200 New Jersey Avenue, SE, Washington, DC 20590, telephone (202) 366-4109.



DEPARTMENT OF JUSTICE

Bureau of Alcohol, Tobacco,  
Firearms and Explosives

Martinsburg, WV 25405

December 7, 2009

Western States Drilling & Blasting Inc  
PO Box 92707  
Henderson, NV 89009

901090: CRR/LIO  
5400  
File Number: 9-NV-00090

Premises Address: 2031 Pabco Road, Henderson, NV 89015

Dear Sir/Madam:

This letter acknowledges receipt of your timely application to renew your Federal explosives license/permit.

The Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF) is not able to process your application prior to the expiration date of your license/permit. However, Federal law allows you to continue operations under your current license/permit until such time as ATF completes processing your application. See 5 U.S.C. § 558. This letter, or as explained below, a follow-up letter, will serve as your license/permit until we complete action on your renewal. It is referred to as a Letter of Authorization (LOA).

Since we have not completed processing your application, you may supply a copy of this letter to other licensees/permittees, e.g., your distributors, for the next six months (or until we complete action on your renewal, if that occurs in less than six months) as evidence of your licensed/permitted status. If we have not completed processing your application for renewal within six months of the date of this letter, we will send you another letter, which will also be valid for six months (or until we complete action on your renewal, if that occurs in less than six months). This is of course contingent upon your remaining entitled to continue operations under your current license/permit.

Please direct questions or concerns regarding this letter to Lydia Otolara @ 304-616-4407.

Sincerely,

*Christopher R. Rens*

Chief, Federal Explosives Licensing Center

ATF web address: [www.atf.gov](http://www.atf.gov)

Michael



DEPARTMENT OF THE TREASURY - BUREAU OF ALCOHOL, TOBACCO AND FIREARMS

LICENSE/PERMIT (18 U.S.C. CHAPTER 40, EXPLOSIVES)

In accordance with the provisions of Title XI, Organized Crime Control Act of 1970, and the regulations issued thereunder (27 CFR Part 555) you may engage in the activity specified in this license/permit within the limitations of Chapter 40, Title 18, United States Code and the regulations issued thereunder, until the expiration date shown. See "WARNING" and "NOTICES" on back.

DIRECT ATF  
CORRESPONDENCE  
TO

Christopher R. Reeves  
Chief, Federal Explosives Licensing Center (FELC)  
Bureau of Alcohol, Tobacco, Firearms and Explosives  
244 Needy Road  
Martinsburg, West Virginia 25405  
Telephone: 1-877-283-3352 Fax: 1-304-616-4401

LICENSE/  
PERMIT  
NUMBER

9-NV-003-20-9L-00090

EXPIRATION  
DATE

November 1, 2009

NAME

WESTERN STATES DRILLING & BLASTING INC

Premises Address CHANGES? You must notify the FELC at least 10 days before the move.

2031 PABCO ROAD  
HENDERSON, NV 89015-

TYPE OF LICENSE OR PERMIT

20-MANUFACTURER OF HIGH EXPLOSIVES

CHIEF, FEDERAL EXPLOSIVES LICENSING CENTER (FELC)

*Christopher R. Reeves*  
Christopher R. Reeves

PURCHASING CERTIFICATION

I certify that this is a true copy of a license/permit  
issued to me to engage in the activity specified.

Mailing Address CHANGES? You must notify the FELC at least 10 days before the change.

WESTERN STATES DRILLING & BLASTING INC  
PO BOX 92707  
HENDERSON, NV 89009-

(SIGNATURE OF LICENSEE/PERMITTEE)

The licensee/permittee named herein shall use a reproduction of this  
license/permit to assist a transferor of explosives to verify the identity  
and status of the licensee/permittee as provided in 27 CFR Part 555.  
The signature on each reproduction must be an ORIGINAL signature.





# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)

2/12/2010

PRODUCER (503) 635-3303 FAX: (503) 635-7491

Oak Tree Insurance, Inc.

5335 Meadows Road

Suite 101

Lake Oswego

OR 97035

INSURED Sanders Construction Inc; Sanders Mgt

Co LLC; Blast West LLC; Sanders Prop Mgt LLC;

Western States Drilling &amp; Blasting Inc

PO Box 92707

Henderson

NV 89009

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

## INSURERS AFFORDING COVERAGE

NAIC #

INSURER A Lancer Insurance Group

INSURER B New Hampshire Ins Co

INSURER C

INSURER D

INSURER E

## COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR ADD'L LTR INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YYYY)	POLICY EXPIRATION DATE (MM/DD/YYYY)	LIMITS
A	GENERAL LIABILITY	TBDGLNOBEL12850	1/26/2010	1/26/2011	EACH OCCURRENCE \$ 1,000,000
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY				DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 100,000
	<input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR				MED EXP (Any one person) \$ 5,000
					PERSONAL & ADV INJURY \$ 1,000,000
					GENERAL AGGREGATE \$ 2,000,000
					PRODUCTS - COMP/OP AGG \$ 2,000,000
	GEN'L AGGREGATE LIMIT APPLIES PER:				
	<input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC				
B	AUTOMOBILE LIABILITY	01-CA-006269447-2	8/31/2009	8/31/2010	COMBINED SINGLE LIMIT (Ea accident) \$
	<input type="checkbox"/> ANY AUTO				BODILY INJURY (Per person) \$
	<input type="checkbox"/> ALL OWNED AUTOS				BODILY INJURY (Per accident) \$
	<input type="checkbox"/> SCHEDULED AUTOS				PROPERTY DAMAGE (Per accident) \$
	<input type="checkbox"/> HIRED AUTOS				
	<input type="checkbox"/> NON-OWNED AUTOS				
	GARAGE LIABILITY				AUTO ONLY - EA ACCIDENT \$
	<input type="checkbox"/> ANY AUTO				OTHER THAN EA ACC \$
					AUTO ONLY: AGG \$
A	EXCESS / UMBRELLA LIABILITY	TBDXGL12850	1/26/2010	1/26/2011	EACH OCCURRENCE \$ 4,000,000
	<input checked="" type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE				AGGREGATE \$ 4,000,000
					\$
	DEDUCTIBLE				\$
	RETENTION \$				\$
	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY				WC STATU-TORY LIMITS OTH-ER
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH)				E.L. EACH ACCIDENT \$
	If yes, describe under SPECIAL PROVISIONS below				E.L. DISEASE - EA EMPLOYEE \$
					E.L. DISEASE - POLICY LIMIT \$
	OTHER				

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES / EXCLUSIONS ADDED BY ENDORSEMENT / SPECIAL PROVISIONS

## CERTIFICATE HOLDER

KLB Construction  
PO Box 158  
Mukilteo, WA 98275

## CANCELLATION

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, BUT FAILURE TO DO SO SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND UPON THE INSURER, ITS AGENTS OR REPRESENTATIVES.

AUTHORIZED REPRESENTATIVE

Peter Nielsen/MISTIN

ACORD 25 (2009/01)

INS025 (200901)

Received Time Feb. 12, 2010 1:01 PM

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The following licenses have been approved and are currently en-route to Western States Drilling and Blasting's corporate office:

Washington State Contractor's License

Washington State Blaster's License

